2007-05282/

Government of Canada Securities

A Publication of the Department of Finance

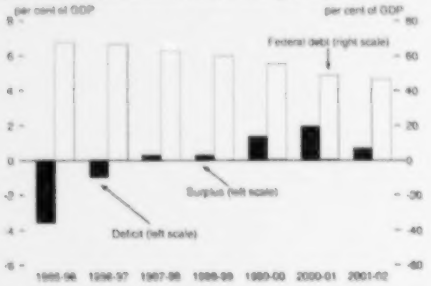
August 2003

Canadian Economy

Selected Canadian economic statistics

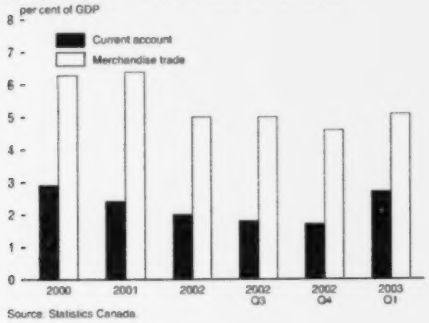
	2001	2002	2002 Q3	2002 Q4	2003 Q1
Annualized growth rates			(per cent)		
Real gross domestic product	1.5	3.4	3.6	1.6	2.4
Final domestic demand	2.5	2.6	2.8	3.8	3.9
Employment growth	1.1	2.2	3.5	3.2	2.2
Other					
Unemployment rate	7.2	7.7	7.6	7.6	7.4
Current account balance (percentage of GDP)	2.8	2.0	1.8	1.6	2.7

Government of Canada debt (accumulated deficit) and budgetary balance



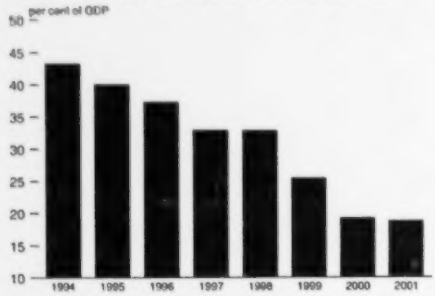
Source: Department of Finance.
Note: 2002-2003 data available late October 2003.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Canada's net international liabilities



Source: Statistics Canada.

Upcoming economic data releases of interest

August	September	October
July CPI (August 19)	August Labour Force Survey (September 5)	September Labour Force Survey (October 10)
June GDP (August 29)	August CPI (September 23)	September CPI (October 21)
National Economic and Financial Accounts April-June 2003 (August 29)	July GDP (September 30)	August GDP (October 31)

Canada

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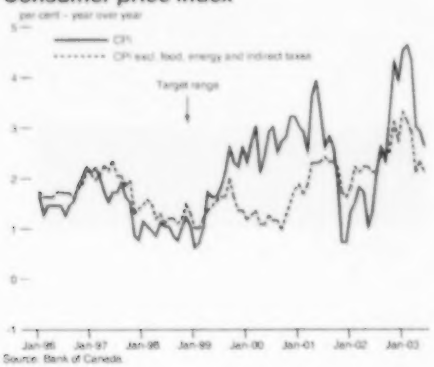
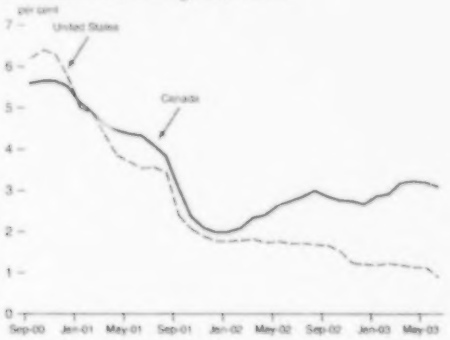
Canadian Economy

Consumer price index



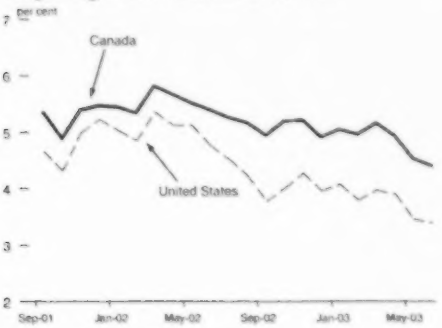
Source: Bank of Canada

3-month Treasury bill rates



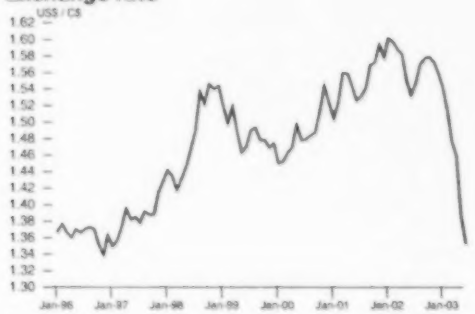
Sources: Bank of Canada and Federal Reserve

10-year government bond rates



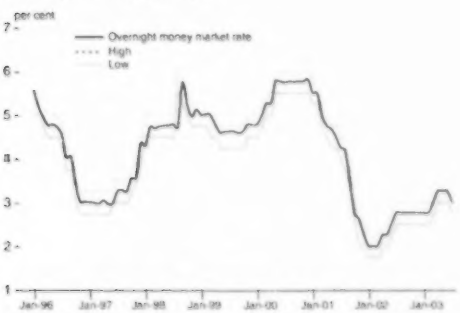
Sources: Bank of Canada and Federal Reserve

Exchange rate



Source: Bank of Canada

Overnight money market rate and operating band



Source: Bank of Canada

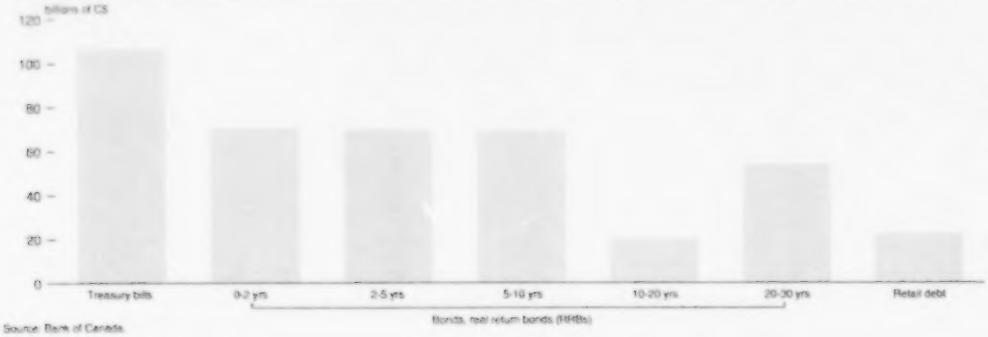
Canadian monetary aggregates

Source: Bank of Canada

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt



Source: Bank of Canada.

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
July 9, 2003	30	June 1, 2033	5.75	1,600	107.715	5.236	2.407	0.7
June 11, 2003	2	June 1, 2005	3	2,700	99.913	3.037	2.37	0.8
June 4, 2003	30	Sept. 1, 2009	4***	300	101.810	2.915	2.914	n.a.
May 28, 2003	5	June 1, 2013	5.25	2,300	101.243	3.984	2.448	0.6

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Bank of Canada.

Upcoming Government of Canada bond auctions

Type of issue	Auction date (2003)	Further details of issue (2003)	Dated and delivered (2003)	Amount maturing*
				(millions of dollars)
10-year auction	August 6	July 31	August 11	-
5-year auction	August 27	August 21	September 2	8,030
2-year auction	September 17	September 11	September 19	-
30-year RRB auction	September 10	September 4	September 15	-

Note: In addition this quarter, eight operations are planned under the Government of Canada bond repurchase program. Four repurchase operations will be held in conjunction with each nominal bond auction, and four pilot switch repurchase operations will take place: one on July 16 in the 5-year sector, one on July 30 in the 2-year sector, one on August 20 in the 30-year sector, and one on September 25 in the 10-year sector. Further details will be released on the Thursday prior to these operations. The target amount for repurchase this quarter is $3.2 billion.

* As of June 19, 2003.

Source: Bank of Canada.

Government of Canada Securities

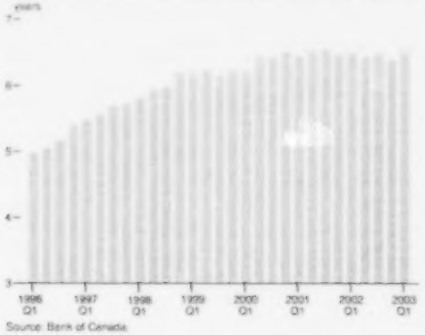
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield (July 10, 2003)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2005	3.50	7,800	3.09
5-year	Sept. 1, 2007	4.50	10,400	3.88
10-year	June 1, 2012	5.25	11,600	4.78
30-year	June 1, 2029	5.75	13,900	5.37
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.12

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada.

Upcoming Government of Canada marketable bond maturities

July-September 2003	October-December 2003	January-March 2003	April-June 2004
	(millions of dollars)		
8,030	13,320	929	15,241

Outstanding Government of Canada foreign currency debt (as of July 2, 2003)

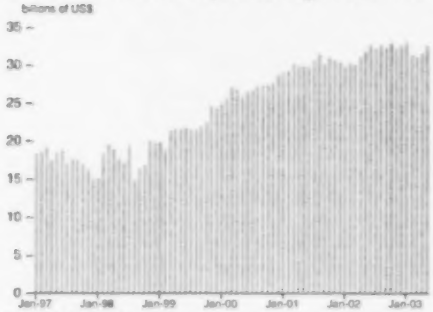
	(C$ millions)*
Canada bills	2,476
Canada notes	1,116
Outstanding under EMTN program	3,064
6¼% US$ bonds maturing November 30, 2004	2,673
6¾% US$ bonds maturing July 21, 2005	2,004
6¼% US$ bonds maturing August 28, 2006	1,336
6¼% NZ$ bonds maturing October 3, 2007	398
4¾% EUR bonds maturing July 7, 2008**	3,149
5¼% US$ bonds maturing November 5, 2008	3,341

*At par value, adjusted for exchange rates as of July 2, 2003.

**Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

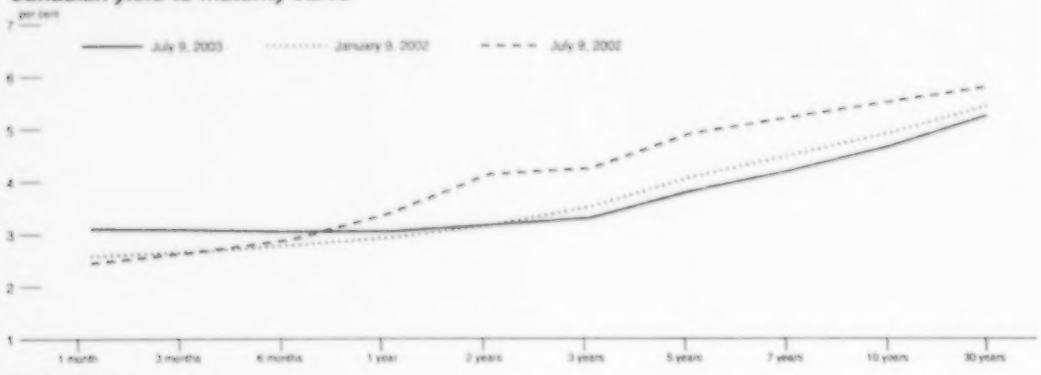
Canada's level of liquid foreign reserves



Source: Bank of Canada.

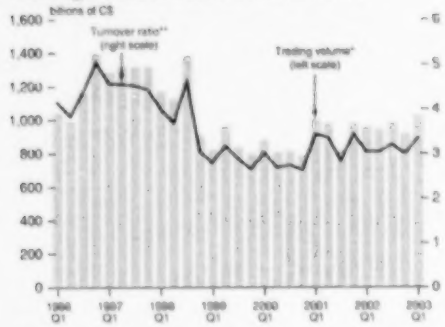
Secondary Market

Canadian yield-to-maturity curve



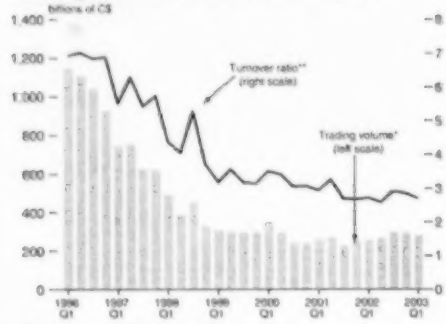
Source: Bank of Canada

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



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Source: Bank of Canada.

Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Desjardins Securities
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
- Ocean Securities Inc.
- Odlum Brown Limited
- RBC Dominion Securities Inc.
- Resolution Capital Inc.
- Scotia Capital Inc.
- Société Générale Valeurs Mobilières Inc.
- The Toronto-Dominion Bank

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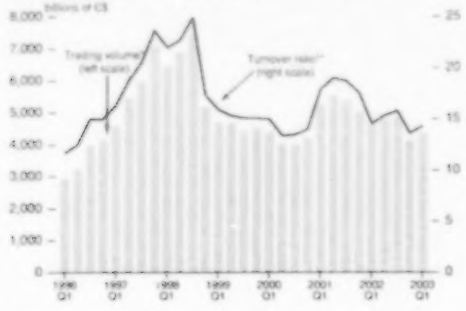
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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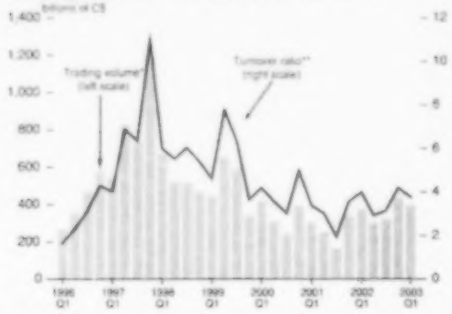
Government of Canada Treasury bill repos trading volume and turnover ratio



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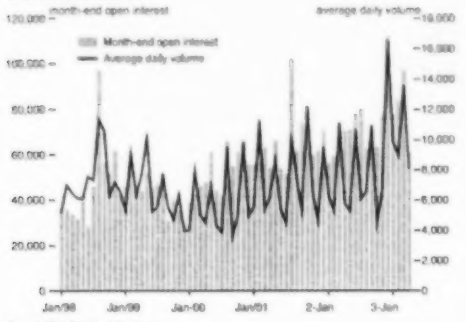
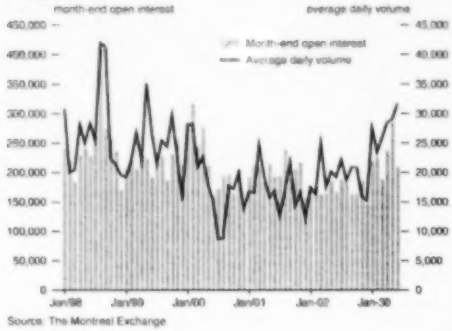
10-year Government of Canada bond futures



Source: The Montreal Exchange

3-month bankers acceptance futures



Source: The Montreal Exchange

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable
Foreign debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of July 17, 2003.
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